

AMENDMENT #67: TO PROHIBIT TAXPAYER FUNDING FOR FEDERAL EMPLOYEES TO ATTEND NON-ESSENTIAL CONFERENCES

Conferences and junkets for federal employees is an area where Congress can take immediate action to cut costs and prevent waste.

This amendment is based on language in the Continuing Resolution (CR) that prohibits funding for more than 50 employees from the Department of Veteran Affairs (VA) to attend a conference outside of the United States, unless the Secretary reports to the Committees on Appropriations of both Houses of Congress that their attendance is important to the national interest at least 5 days in advance of the conference.

This is a standard that should apply to all federal agencies, not just the VA. This amendment extends the prohibition in the CR to cover all federal agencies and all conferences, both within and outside of the United States. It also lowers the number of employees to 25. Therefore, the amendment would prohibit funding for more than 25 federal employees to attend any conference, including one in the United States. Like the existing language, however, this amendment provides an exception for federal employees to attend a conference when the relevant agency head certifies their attendance is important to the national interest at least 5 days prior to the event.

This amendment is an easy step Congress can take now to help stop non-essential conference spending throughout the federal government.

Federal Agencies Held 767 Conferences Costing More than \$260 million Last Year Alone

According to an analysis by a congressional committee, the federal government spent at least \$267.6 million on 767 conferences in FY2012.¹ This figure includes only the “big ticket” conferences costing more than \$100,000. Even this conservative estimate on government-wide

¹ Analysis of 22 federal agency reports by the U.S. House of Representatives Committee on Oversight and Government Reform, February 2013.

conference spending is simply unacceptable given our current fiscal crisis. For example:

- The Department of Justice (DOJ) held 107 conferences at a cost of \$58.7 million.
- The Department of Defense (DOD) held 295 conferences at a cost of \$89 million.
- The Department of Interior held 32 conferences at a cost of \$7.76 million.
- The Department of Education held 28 conferences at a cost of \$10.03 million.
- The Department of Energy held 26 conferences at a cost of \$5.15 million.
- Health and Human Services (HHS) held 140 conferences at a cost of \$56.1 million.
- The Department of State held 19 conferences at a cost of \$6.42 million.

Several reports from federal Inspectors General and others have delved into more detail on these conferences, and have made clear that many of them have little to do with work training or agency improvement and more closely resemble vacations for federal employees, charged to the taxpayers.

This Amendment will Help Prevent Conferencing Waste and Excess

Reports in recent years have detailed numerous instances of unacceptable waste and extravagance of taxpayer funds at conferences. By helping to put an end to all non-essential conferences, this amendment will help prevent this waste from occurring in the future.

Like the existing language, however, this amendment provides an exception for federal employees to attend a conference when the relevant Secretary certifies their attendance is important to the national interest.

Even for conventions that are given this exception, this amendment will give agencies a significant incentive to ensure the conferences truly are

focused on goals important to the country, and taxpayer money is not misused or wasted at the event.

Examples of past waste this amendment would help prevent in the future

Excessive, Lavish, and Even Fraudulent Conference Spending by the General Services Administration (GSA)

In April 2012 the GSA Inspector General (IG) released a scathing report detailing the waste and even criminal allegations stemming from spending for a 2010 Las Vegas conference costing taxpayers nearly \$823,000, including a \$2,000 party in the hotel suite of GSA's public buildings service chief. Their report resulted in the resignation and firing of several top GSA officials. Since then, the IG office expanded its investigation to 77 conferences and award ceremonies held between October 2010 and April 2012 costing a total of \$6.7 million and at least \$10,000 each—all held by the GSA alone.

Numerous Wasteful Expenditures at Department of Veteran Affairs (VA)

Two VA Human Resources conferences in 2011 cost more than \$6 million. \$762,000 of this sum was identified by the VA Inspector General as wasteful or unnecessary. The conference included expenditures like the \$52,000 to hire a contractor to produce a short video that was a parody of the movie *Patton*. Also on the tab for the conferences was \$84,000 for promotional items including highlighters, USB drives, and hand sanitizers. Pre-conference scouting cost \$13,000, and during scouting VA employees received improper gifts such as meals, alcohol, concert tickets, lodging, spa treatments, and limousine and helicopter rides. Despite the clear mismanagement of these conferences, VA employees receive \$43,000 in bonuses for their work on these conferences.²

² VA Office of Inspector General, Office of Investigations & Office of Audits and Evaluations, Department of Veterans Affairs, "Administrative Investigation of the FY 2011 Human Resources Conferences in Orlando, Florida," September 30, 2012, <http://www.va.gov/oig/pubs/VAOIG-12-02525-291R.pdf>

It may be little surprise that the VA failed to file a report on the total number and cost of its conferences for FY 2012.

Poor Use of Funds at Office of Personnel Management (OPM) Conference

A four-day conference for the OPM's Inspector General cost \$142,320, and more than a third of this amount, \$53,000, went to conference planning and administration. The employees in attendance spent about half of their time in courses with little direct importance to the taxpayer, such as "Health & Wellness -Stress Management Exercise" and "Changing Your Routine."³

Questionable Travel Spending by the United State Postal Service

Despite its troubled financial situation, the Postal Service has also come under fire for excessive travel and conference costs, refusing to cut back even in a budget crunch.

In February, the Financial Times reported that the Postal Regulatory Commission Chairman Ruth Goldway, has taken 34 trips, costing taxpayers almost \$71,000, during her time as Chairman. According to the article, "Of the 34 trips listed in commission records, 11 involved overseas postal events in Switzerland, Portugal and other countries. Closer to home, Goldway participated in numerous commission field hearings and mailing industry conferences."

Goldway also used taxpayer funding to pay for two trips to New York, one to speak at a conference on nanotechnology and one to attend a business meeting on promoting the use of electric cars.

Excess and Waste in Conference Spending is Not New

Between 2000 and 2006 alone, the federal government spent at least \$2 billion on conferences.⁴ From USDA employees attending conferences at

³ Information provided by the OPM Inspector General to the U.S. House of Representatives Committee on Oversight and Government Reform.

⁴ David Fredosso, *The Washington Examiner*, "Government Conference Spending Gone Wild!" August 24, 2009, <http://washingtonexaminer.com/government-conference-spending-gone-wild/article/133250>

spa resorts in Hawaii and attending martini and cigar receptions to \$4 meatballs and \$16 muffins at Department of Justice conferences, excessively wasteful spending of taxpayer funding at agency conference is nothing new.

For example, the National Institutes of Health awarded a sole-source contract worth more than \$115 million to the company *Experient*, located in Arlington, Virginia, hiring the company to provide “conference and administrative travel services.” This \$115 million will be spent on conferences and travel for NIH employees instead of on the crucial cancer and disease research conducted by NIH scientists.

In another example, the Social Security Administration spent \$770,000 on a conference in 2009 at the Biltmore Hotel in Phoenix, Arizona. The three-day conference included private dance recitals, paid motivational speakers, and an optional, non-government-funded casino trip.⁵

In May of 2008, the Federal Financial Management Subcommittee Released a Report on Department of Agriculture Conference Spending.

Among many items, the subcommittee report found the following:

- The Department sent employees to Las Vegas for “7 Habits of Highly Effective People” conferences, to resorts in Australia for conferences on mushrooms and crawdads, and to Disney resorts to discuss competitive intelligence; and
- In 2006, one entity within USDA, the Animal and Plant Health Inspection Service (APHIS) sent 47 people (44 of whom were employees) to 10 conferences in Hawaii at a cost of \$71,412. The conferences took place on the Islands of Maui, Oahu, Honolulu, and Molokai. One was a “Congressional” seminar to educate attendees on the U.S. Congress, though the event location — the Hilton

⁵ David Fredosso, *The Washington Examiner*, “Government Conference Spending Gone Wild!” August 24, 2009, <http://washingtonexaminer.com/government-conference-spending-gone-wild/article/133250>

Hawaiian Village Beach Resort and Spa— is 4,500 miles from Congress.⁶

Additionally, according to data submitted to a Senate oversight subcommittee, in just 2006 alone:

- 213 USDA employees attended approximately 94 separate conferences in Las Vegas at a cost of \$254,755;
- 64 USDA employees (and 3 non-employees on USDA's dime) traveled to Hawaii to attend approximately 28 separate conferences for a total cost of \$130,600;
- 270 USDA employees went to approximately 59 separate conferences in Orlando, Florida — home to Disney World — at a cost of \$282,656;
- 112 employees went to 34 conferences in Anchorage, Alaska at a cost of \$227,000;
- 247 employees went to approximately 89 conferences in Phoenix, Arizona at a cost of \$321,000;
- 141 employees went to approximately 46 conferences in Tucson, Arizona at a cost of \$132,700; and
- 20,959 employees went to 6,719 conferences and training activities across the nation and around the world, at an unknown cost to taxpayers in lost productivity.⁷

Teleconferencing Technology is Now Available to Reduce Conference Spending and Help Mitigate Environmental Concerns Associated with Travel

The tremendous technological advancements the world has made lately with teleconferencing, enabling people to interface directly from around the world, has greatly mitigated the need for expensive conferences.

⁶ 2008 FFM Subcommittee Report on Department of Agriculture Conference Spending http://coburn.senate.gov/public/index.cfm?a=Files.Serve&File_id=c6ae538f-1708-4c93-8024-4696bc38a9a2

⁷ 2008 FFM Subcommittee Report on Department of Agriculture Conference Spending http://coburn.senate.gov/public/index.cfm?a=Files.Serve&File_id=c6ae538f-1708-4c93-8024-4696bc38a9a2

Given the strides made in the availability of video conferencing and teleconferencing, the overhead costs of conferences should be drastically reduced government-wide. At a minimum, with the advent of these more efficient communication devices, lavish conferences at exotic locations are certainly not necessary and should be prevented in the future. This amendment would help prevent the unnecessary expenses of non-essential conferences and promote cost-effective use of technology.